

## GOVERNMENT OF ANDHRA PRADESH

### ABSTRACT

Public Services – Treasuries and Accounts Department – Karimnagar District – Allegations made by Sri K.Seetharamaiah, STO (U/s) against the District Treasury Officer and Staff of the District Treasury, Karimnagar - Irregular pay fixations under 6 (g) (i) of principles of pay fixation of the Revised Pay Scales, 1993 in respect of (7) STOs of Karimnagar District - pecuniary loss caused to the Government - Disciplinary proceedings initiated against Sri V.Babu Rao, A.O. (Retd) - Imposition of a punishment of withholding of 5% pension for a period of one year under Rule 9 of A.P. Revised Pension Rules, 1980 – Orders – Issued.

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### FINANCE (ADMN.I.VIG.) DEPARTMENT

**G.O.Rt.No. 3518**

**Dated:30 -07-2010**

**Read the following:-**

1. DTA Lr.No.K(II)6/3985/2002, dt. 25-10-2004.
2. DTA Lr.No.K(II)6/3985/2002-1, dt. 24-03-2005.
3. G.O.Rt.No.2094, Fin (Admn.I. Vig) Dept., dt. 07-06-2005.
4. DTA Lr.No.K(II)6/3985/2002, dt. 18-01-2006 along with Statement of defence of Sri V.Babu Rao, former DTO, presently retired A.O., dt. 22-12-2005.
5. G.O.Rt.No.1614, Finance (Admn.I.Vig) Dept., dt. 03-04-2007.
6. DTA Lr.No.KII(6)/3985/2002, dt. 19-04-2008 along with Inquiry Report of Smt. Yasmeen Sultana, Chief Accounts Officer, O/o. the Commnr. Of Printing, Stationery and Stores Purchase, Hyderabad vide Lr.No.1213/CAO/Inquiry/2006-2007, dt. 14-03-2008.
7. Govt.Memo.No.9146/148/A2/Admn.I.Vig/2005, dt:14-05-2008.
8. DTA Lr.No.K (II)6/3982/2002, dt.21-10-2008 along with explanation of Sri V.Babu Rao, AO (Retd), 16-06-2008.
9. Govt.Memo.No.9146/148/A2/Admn.I.Vig/2005, dt:17-11-2009.
10. DTA Lr.No.K(II)6/3985/2002, dt:27-03-2010 along with explanation of Sri V.Babu Rao, dt. 14-12-2009.
11. Govt.Memo.No.9146/148/A2/Admn.I.Vig/2005, dt:11-05-2010.
12. DTA Lr.No.K(II)6/3985/2002, dt. 13-05-2010 along with proforma particulars of Sri V.Babu Rao, A.O. (Retd.).
13. Govt. Lr.No.9146/148/A2/Admn.I.Vig/2005, dt.26-05-2010 addressed to APPSC.
14. Secretary APPSC Lr.No.793/RT-I/2/2010, dt:03-07-2010.

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### ORDER:

According to Rule 6 (g) (i) of A.P. Revised Scales of Pay 1993 Rules, when pay of the individual in the present post (higher or officiating) as fixed in the A.P. Revised Pay Scales, 1993 is equal or less than the pay fixed in the lower or substantive post his pay shall be fixed at a stage next to the pay fixed in higher officiating post. It implies that pay has to be compared in the present officiating post and lower post (substantive post) in A.P. Revised Pay Scales, 1993 and if the pay fixed in higher officiating post is less or equal to the pay fixed in lower post, the pay of the individual shall be fixed at a stage next to the pay fixed in higher post.

2. Further, in G.O. Ms. No. 351, Finance Dept., dt.15-10-1994 orders were issued inter alia vide Para (3) that where the pay of Government Employee in the Special Grade Scale as fixed in the A.P. Revised Pay Scales, 1993 is equal or less than the pay fixed in the ordinary grade scale in A.P. Revised Pay Scales, 1993, his pay in the higher post (Special Grade) shall be fixed at the stage next above the pay fixed in the ordinary grade scale on the analogy of Rule 6 (g) (i) of A.P. Revised Pay Scales, 1993. In view of the

orders issued in G.O.Ms.No.162, Finance Dept., 20-5-1993 and G.O.Ms.No.351, Finance Dept., dt. 15-10-1994, in any case, the pay of the individual has to be compared between two categories only i.e. either G.O.Ms.No. 162, Finance Dept., dated 20-5-1993 or G.O.Ms.No.351, Finance Dept., dated 15-10-1994 whichever is applicable in each case; both the GOs cannot be applied to a single case.

3. In the references 1<sup>st</sup> and 2<sup>nd</sup> read above, the Director of Treasuries and Accounts has informed that the then District Treasury Officer, Karimnagar Sri V.Babu Rao, now Accounts Officer (Retd) and Sri S.M.P.M.Hashmi, STO (Retd) were responsible for making the irregular pay fixations of certain STOs misinterpreting the Sub-Rule 6 (g) (i) of A.P. Revised Scales of Pay 1993 Rules at the District Treasury, Karimnagar.

4. Government initiated Departmental Proceedings against Sri V.Babu Rao, the then DTO, Karimnagar and now retired as Accounts Officer, O/o the Director of School Education, AP, Hyderabad under Rule 20 of APCS (CC&A) Rules, 1991 vide G.O. 3<sup>rd</sup> read above. The following Article of Charge was framed against the individual.

**Charge:**

That the said Sri V.Babu Rao, while working as the District Treasury Officer, Karimnagar has approved the irregular pay fixations under Rule 6 (g) (i) of principles of fixation of pay in RPS 1993 in respect of (7) STO's

- 1.Sri Gulam Ali,STO (Expired)
- 2.Sri B.Veeraiah,STO
- 3.Sri B.Sattaiah,STO
- 4.Sri B.Papaiah
- 5.Sri Syed Yousuf Ali,STO
- 6.Sri K.Rajesham,STO
- 7.Sri G.Chrisostham,STO

Due to allowing of the wrong fixations and thereby he has caused pecuniary loss to the Govt. and violated Rule (3) of A.P.C.S. (Conduct) Rules 1964.

5. Sri V.Babu Rao, Accounts Officer, in his defence statement has stated that he has not allowed pay fixation under sub rule of (6)g (i) A.P. Revised Scales of Pay 1993 Rules towards Sri Gulam, Ali, STO (Expired) and Sri K.Rajesham, STO. In respect of other (5) STOs, he allowed their pay fixations under sub rule (6)(g) (i) after the note submitted by Sri S.M.P.M.Hashmi, STO who is considered to be the senior most STO well versed with the rules and instructions particularly in respect of pay fixations. However, when it was brought to his notice that their pay fixations were irregular and he issued proceedings to recover the excess payment made to them and the entire excess amount was recovered and remitted back to Government exchequer. Thus, no financial loss was caused to Government, since the entire amount paid in excess was recovered. Thus, he has requested to drop the charge and further action against him as **the entire excess amount paid to STOs on account of erroneous pay fixations was fully recovered.**

6. Government, after examining the explanation of the Charged Officer, Sri V.Babu Rao, Accounts Officer and other Charged Officer Sri S.M.P.M.Hashmi, STO (Retd.) ordered for regular inquiry by appointing Smt.Yasmeen Sultana, Chief Accounts Officer as Inquiry officer and Smt.K.Vijaya Laxmi, Chief Accounts Officer, as presenting officer to inquire into the charges vide G.O.5<sup>th</sup> read above.

7.1 In the inquiry, the charge framed against Sri V.Babu Rao, the then DTO, Karimnagar now retired as Accounts Officer, O/o. the Director of School Education, AP, Hyderabad was held proved. The observations/findings of the Enquiry Officer are as follows:

7.2. The Rule 6 (g) (i) benefit allowed by the Charged Officer in the RPS-93 in respect of (4) STOs namely Sri Veeraiah, Papaiah, Syed

Yousuf, and G.Chrisostham is not correct and it has resulted in accrual of one extra increment to the individuals. In respect of Sri B.Sattaiah, the increment due on 1-7-92 was released twice, thereby one extra increment accrued to the individual.

7.3. Further, the benefit extended under Rule 6 (g)(i) of A.P.R.P.S.1993 was cancelled and pay was revised. The arrears already paid were also recovered. Hence, there was a temporary loss to the exchequer.

7.4 The benefit of Rule 6(g) (i) was not allowed by the Charged Officers in respect of Sri K.Rajesham and Sri Gulam Ali. The benefit of Rule 6(g) (i) in respect of these individual allowed in routine course is found to be correct.

7.5. The irregular fixations under Rule 6 (g) (i) was a cumulative effect of irregular processing on the part of Sri SMPM Hashmi, STO who has processed the note there by misguiding the DTO and non-verification on the part of Sri V.Babu Rao, DTO with reference to relevant GOs. In view of the foregoing observation, the charge is held proved both in respect of Sri V.Babu Rao, District Treasury Officer, Karimnagar and Sri SMPM Hashmi, STO (Retd.) Karimnagar.

7.6. Further based on the instructions of the RJD, increments were revised and released on the normal date of increment after step up. Actually, the same have to be released after one year from the date of stepping up. Hence the increments released on normal date based on the report of RJD III (Exhibit-IV) need revision till date of retirement and recoveries not to be effected upto 31-3-89 under the provision of Cir. Memo.No.15592/230/A1/FR.II/93 (Exhibit No.X).

7.7. The DTA, AP, Hyderabad vide Memo.No.D3/1472/04, dt. 30-4-2005 (Exhibit No.XI) issued in respect of G.Chrisostham, STO, directed that the step up should be allowed once in one category and on par with junior most only. Hence, the first step up allowed on par with Saleem Raza, STO has to be cancelled and step up should be allowed on par with Sri G.V.Sharma, junior most Senior Accountant. **Hence the Charge framed against Sri V.Babu Rao, Accounts Officer (Retd.) and Sri S.M.P.M. Hashmi, (Retd.) STO, Karimnagar are held proved.**

8. Sri V.Babu Rao, Accounts Officer was issued a show-cause notice along with a copy of Enquiry Report vide reference 7<sup>th</sup> read above with a direction to submit his explanation on the findings of the Inquiry Authority. The Director of Treasuries and Accounts has furnished the explanation of the Charged Officer Sri V.Babu Rao vide reference 8<sup>th</sup> read above.

9. In his explanation, Sri V.Babu Rao, Accounts Officer (Retd.) has stated that the original sanctions were issued with a safety clause of recovery of over payments and recoveries were made two years before the charge sheet itself regarding irregular pay fixations and over payments. He is innocent and not deliberates to violate any rule and requested to drop the charges framed against him. Since, Sri V.Babu Rao, Accounts Officer has retired from service on 31-12-2007 on attaining the age of superannuation, further action has been continued against him as per Rule 9 of A.P. Revised Pension Rules, 1980.

10. After careful examination of the explanation of the Charged Officer observed that the erroneous Pay fixations done by the Charged Officers were cancelled and recoveries were made from the concerned employees. There is no loss to the exchequer. In all Pay

fixation proceedings issued by the then DTO, Sri V.Babu Rao, now retired, it is clearly mentioned that **“any excess over the pay regularization now made if pointed out in future will recovered from his pay without any prior notice”** The wrong pay fixations were done due to misinterpretation of the Government Orders issued in G.O.Ms.No.162, Finance Dept., 20-5-1993 and G.O.Ms.351, Finance Department, dt. 15-10-1994. As per the Enquiry report and the explanations of the Charged Officer, it cannot be attributed of any malafide intentions to them. However, their explanations do not mitigate the irregularities committed by them. The Enquiry Officer has proved the charges framed against them substantially in the inquiry without any doubt. The Charged Officers have failed to adhere with the orders issued by the Government in respect of pay fixations in the Revised Pay scales, 1993. Therefore, Government came to a provisional conclusion to impose a punishment of withholding of 5% of pension for one year against him under Rule 9 of A.P. Revised Pension Rules, 1980 and issued a final show-cause notice to him vide reference 9<sup>th</sup> read above.

11. The Charged Officer, Sri V.Babu Rao, Accounts Officer (Retd.) in his explanation at reference 10<sup>th</sup> read above, stated that during 1993 the pay down orders were issued to same individuals as per G.O.31, Finance Department dated 25.01.1993 though they are eligible to draw increments from normal date of increment since the pay fixation were issued prior to 11.02.1990. Hence, the 5 STOs have become eligible for their pay fixations as per Rules 6 (g) (i) of A.P. Revised Pay 1993 if pay down orders were not issued the pay fixations would have not been effected now. Based on the complaint made by Sri Seetharamaiah, under suspension, the RJD-III has conducted enquiry during 2002 and pointed out that pay fixations under Rule 6 (g) (i) are erroneous. **Immediately after pointing out by the RJD-III all the pay fixations allowed to the 5 STOs were revised and recovered the excess payments made to them as per the safety clause imposed in the pay fixation orders.** Due to ambiguity in Rule 6 (g) (i) and misinterpretation in regard to pay fixation clarifications from time to time and having confidence on his subordinates he approved the pay fixations **duly imposing clause that if any excess amounts pointed out at a later date shall be recovered from the salaries of the individuals.** Further, he stated that he had issued revised orders on 20.09.2003 to recover the excess payment. On 07.06.2005 the enquiry officer has conducted enquiry and submitted her report that all the excess payments were recovered and remitted back to Government. **Therefore, he has requested to drop the charges and release his pensionary benefits.**

12. Government, after careful examination of the Articles of Charge framed against Sri V.Babu Rao, Accounts Officer (Retd.), his written statement of defence, findings of the Inquiry Officer and his explanations on the findings of the Enquiry Officer and to the final show-cause notice and other relevant material on record, found that the wrong pay fixation were done by the Charged Officer due to misinterpretation of the Government Orders issued in G.O.Ms.No.162, Finance Dept., 20-5-1993 and G.O.Ms.351, Finance Department, dt. 15-10-1994 and the charge framed against him substantially proved in the inquiry without any doubt. Therefore, Government came to a provisional conclusion to impose a punishment of withholding of 5% pension for one year on the Charged Officer, Sri V.Babu Rao, Accounts Officer (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980 and referred the matter to the Andhra Pradesh Public Service Commission, Hyderabad for their concurrence vide reference 13<sup>th</sup> read above.

13. The A.P. Public Service Commission, Hyderabad in their letter 14<sup>th</sup> read above, have concurred with the proposal of the Government for imposition of a punishment of withholding of 5% pension for one year on the Charged Officer Sri V.Babu Rao, Accounts Officer (Retd.).

14. Government, accordingly, hereby impose a punishment of withholding of 5% of pension for one year on the Charged Officer, Sri V.Babu Rao, Accounts Officer (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980.

15. The Director of Treasuries and Accounts, Hyderabad shall take necessary further action in the matter accordingly.

16. The G.O. is available on Internet and can be accessed at the address <http://www.goir.ap.gov.in>.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**L.V.SUBRAHMANYAM  
PRINCIPAL SECRETARY TO GOVERNMENT (FP)**

To

The individual through Director of Treasuries and Accounts, AP, Hyderabad.

The Director of Treasuries and Accounts, AP, Hyderabad.

Copy to:

The Secretary, A.P. Public Service Commission, AP, Hyderabad.

The Secretary, A.P, Vigilance Commission, Secretariat, Hyderabad.

SF/SC.

**:: FORWARDED BY ORDER::**

**SECTION OFFICER**